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# Democracy and Governance Highlights

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## Strengthening Rule Of Law and Respect For Human Rights

In 49 countries USAID programs assist in establishing a predictable legal environment, developing independent, fair, and effective judicial systems and strengthening human rights.

■ New or modified criminal and civil codes have been reviewed or adopted in Armenia, Bolivia, Colombia, Czech Republic, Ecuador, El Salvador, Georgia, Guatemala, Honduras, Lithuania, the Former Yugoslav Republic of Macedonia, Panama, Peru, Russia, and Slovakia. Significant progress in strengthening USAID-supported public defender programs in Bolivia, Cambodia, El Salvador, Honduras, and Panama is evidenced by the increased quality of the defenders and the mushrooming demand for their services.

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## Creating More Genuine And Competitive Political Processes

USAID plays an important role in ensuring genuine and competitive political processes with programs in 35 countries.

■ USAID assistance in Bangladesh, the Dominican Republic, Haiti, Mongolia, Russia, South Africa, and the West Bank–Gaza resulted in improved electoral administration and increased competition among candidates.

■ USAID launched its global Women in Politics Program. The program gives women a chance to become more effective voters, advocates, candidates, and legislators.

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## Increasing the Development Of Politically Active Civil Society

USAID programs in 50 countries direct their efforts toward organizations engaged in or having the potential for championing democratic governance reforms.

■ In cooperation with indigenous trade unions, USAID has designed and implemented programs aimed at increasing the membership of women

workers in manufacturing. As a result of this assistance, labor unions in Bangladesh, Indonesia, the Philippines, and Sri Lanka have increased the number of women members by 25 percent.

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## Developing More Transparent And Accountable Government Institutions

USAID supports accountable governments in 50 countries, improving their ability to perform effectively and efficiently, respecting ethical standards, and consulting with their constituencies.

■ In 37 countries the Agency's approach to democratic local governance is emphasizing increased citizen participation, promoting empowerment for minorities and vulnerable groups, engendering greater local government responsiveness and accountability to citizen needs, improving local revenue mobilization, reducing corruption, and lessening ethnic tension and conflict.

## Building Democracy and Governance

National interests of the United States center on the development of a global environment that promotes U.S. economic opportunities, enhances the prospects for peace and stability, and protects against specific global dangers, including complex humanitarian and other crises.

Our national values, expressed in the Declaration of Independence and the Constitution, are built on the concept of governmental sovereignty derived from the citizenry and universal respect for internationally recognized human rights. The administration's three foreign policy goals of peace, prosperity, and democracy are based on these global interests and values.

USAID's goal of sustainable development evolved directly from the administration's foreign policy goals, and democratization is an essential part of sustainable development. Democratization facilitates informed participation, public sector accountability, and protection of human rights, USAID's success in the other core areas of sustainable development is inextricably linked to democratization and good governance. Repression, corruption, autocracy, human rights abuses, exclusion of marginalized groups, and disregard for the rule of law are antithetical to development.

Democratic governments are inherently more stable and therefore more reliable international partners. They are more likely to advocate and observe international law and agreements and have long-term stability. Moreover, and equally important, they make better trading partners for the United States.

Given this fundamental relationship, the democracy-and-governance program is an integral component of USAID's support for sustainable development. The Agency's commitment to strengthening democratic institutions and popular participation in decision-making is evidenced by its decision to define "sustainable democracies built" as one of the Agency's goals.

Establishing democratic institutions, free and open markets, an informed and educated populace, a vibrant civil society, and a relationship between state and society that encourages pluralism, inclusion, and peaceful conflict resolution—all these contribute to the goal of building sustainable democracies. To guide programming, the Agency's strategic framework (see figure 2.1) establishes four strategic objectives:

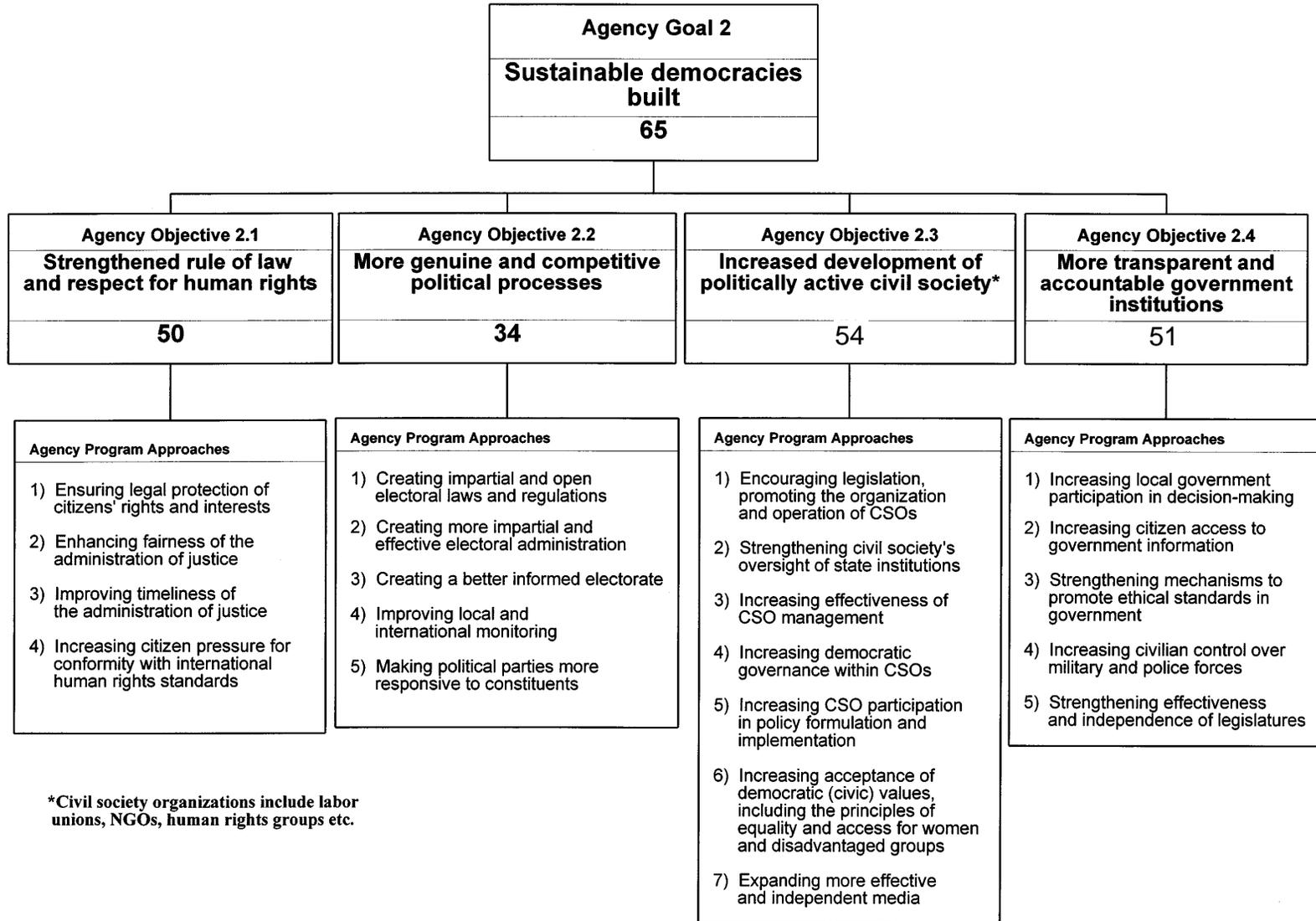
- Strengthened rule of law and respect for human rights
- More genuine and competitive political processes
- Increased development of politically active civil society
- More transparent and accountable government institutions

The countries with USAID programs promoting these objectives are represented on map 2.1 and listed in table 2.1.

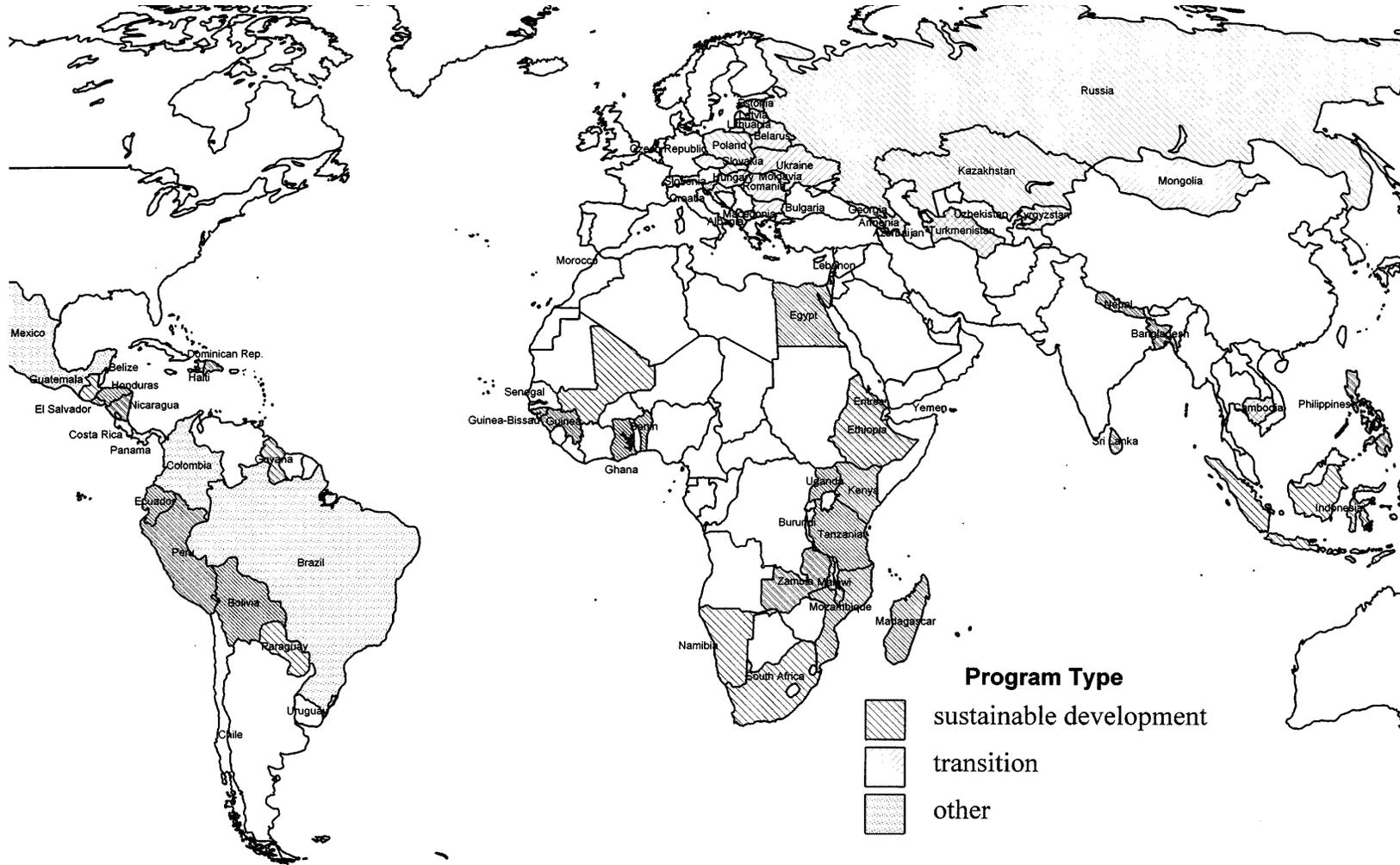
While these four objectives provide the basis for the overall program, emphases vary from region to region (see figure 2.2). In Africa civil society receives most attention, followed by electoral process. The Asia and the Near East priorities are civil society and governance, respectively. In central and Eastern Europe governance has the most emphasis, followed by civil society. And in Latin America and the Caribbean the Agency stresses the rule of law, with a growing emphasis on civil society. These differences reflect variations in opportunities, constraints, stages of democratic progress, and lessons from experience.

Even within regions, countries require unique programs. Although most democracy assistance is examined through the optic of sustainable development, crises, usually resulting from armed conflict and societal

**Figure 2.1. Democracy Strategic Framework 1996. Number of Country Programs Contributing to Each Objective**



Map 2.1. Programs With Strategies Contributing to Democracy and Governance Goal

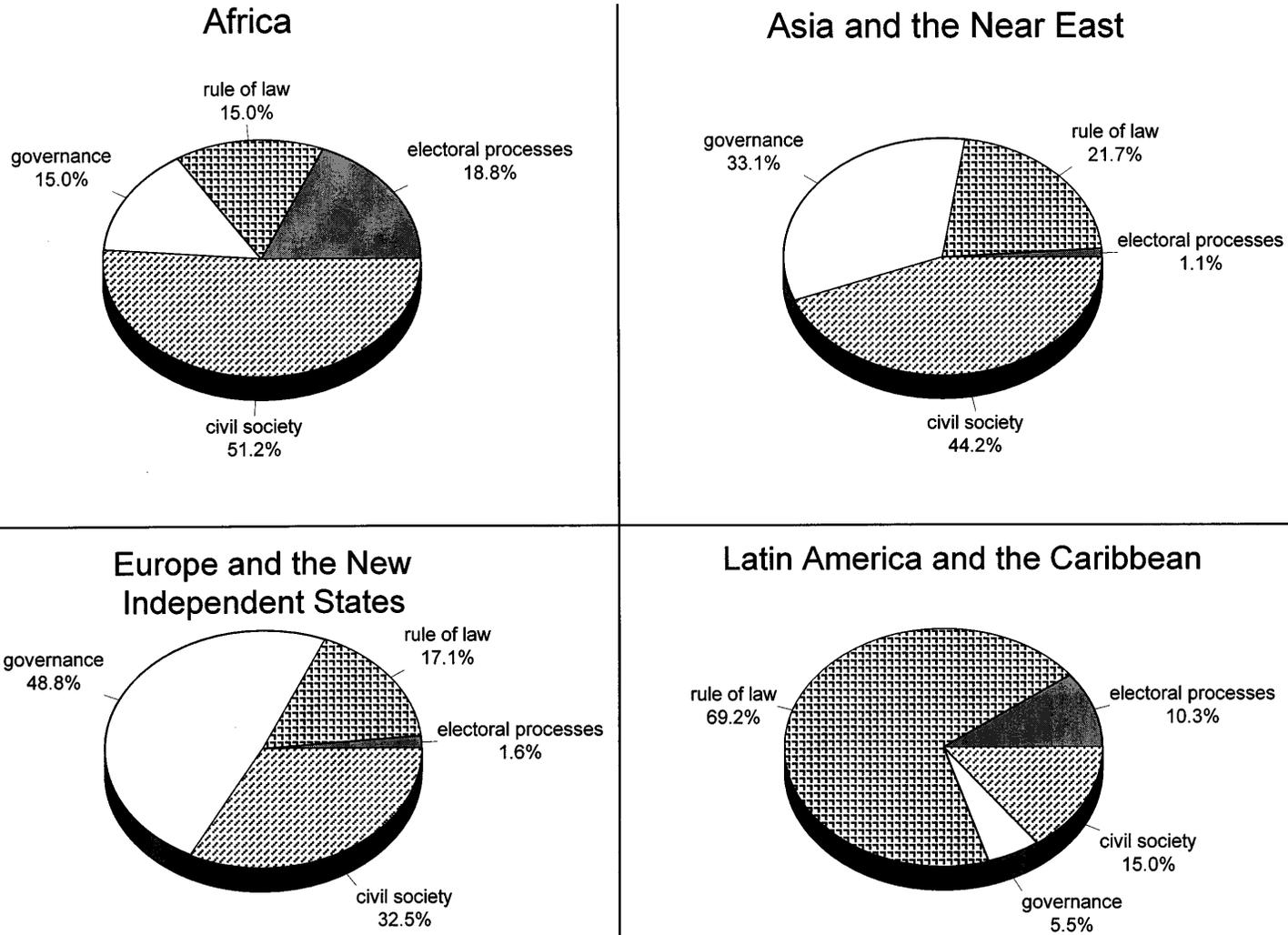


**Table 2.1. USAID Programs With Democracy and Governance Objectives in 1996**

	Africa	Asia and the Near East	Eastern Europe and the New Independent States	Latin America and the Caribbean	Total
Number of programs	27	18	29	16	87
Number of countries with democracy objectives	16 (59%)	10 (56%)	24 (83%)	15 (94%)	64 (74%)
Objective 2.1: Strengthened rule of law and respect for human rights	Burundi, Eritrea, Ethiopia, Guinea-Bissau, Kenya, Madagascar, Malawi, Mozambique, South Africa, Uganda (10)	Bangladesh, Cambodia, Egypt, Indonesia, Mongolia, Nepal, Sri Lanka, West Bank-Gaza (8)	Albania, Armenia, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Georgia, Kazakstan, Latvia, Lithuania, Poland, Russia, Slovakia, Tajikistan, Ukraine, Uzbekistan (16)	Bolivia, Brazil, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru (15)	50 (57%)
Objective 2.2: More Genuine and Competitive Political Processes	Benin, Burundi, Ethiopia, Ghana, Kenya, Malawi, Mozambique, South Africa, Tanzania, Uganda (10)	Bangladesh, Cambodia, Mongolia, Nepal, West Bank-Gaza (5)	Albania, Armenia, Azerbaijan, Bosnia-Herzegovina, Croatia, Georgia, Latvia, Lithuania, Moldova, Russia, Ukraine (11)	Bolivia, Dominican Republic, El Salvador, Guyana, Haiti, Mexico, Nicaragua, Paraguay (8)	34 (39%)
Objective 2.3: Increased development of politically active civil society	Benin, Burundi, Ethiopia, Guinea, Guinea-Bissau, Kenya, Mali, Malawi, Mozambique, South Africa, Tanzania, Uganda, Zambia (13)	Bangladesh, Cambodia, Egypt, Indonesia, Mongolia, Nepal, Philippines, Sri Lanka, West Bank-Gaza (9)	Albania, Armenia, Azerbaijan, Belarus, Bulgaria, Croatia, Czech Republic, Estonia, Georgia, Hungary, Kazakstan, Kyrgyzstan, Latvia, Lithuania, Macedonia, Poland, Romania, Russia, Slovakia, Tajikistan, Ukraine, Uzbekistan (22)	Bolivia, Brazil, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, Peru (10)	52 (60%)
Objective 2.4: More transparent and accountable government institutions	Guinea, Guinea-Bissau, Kenya, Malawi, Mozambique, Namibia, South Africa, Tanzania, Uganda, Zambia (10)	Bangladesh, Cambodia, Egypt, Indonesia, Lebanon, Mongolia, Nepal, Philippines, Sri Lanka, West Bank-Gaza (10)	Albania, Armenia, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Georgia, Hungary, Kazakstan, Kyrgyzstan, Latvia, Lithuania, Macedonia, Poland, Romania, Russia, Slovakia, Ukraine (18)	Bolivia, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru (14)	50 (57%)

\* Excludes regional and global bureaus with major democracy and governance objectives.

Figure 2.2. USAID Support to Democracy Programs, by Region



Source: USAID, 1996.

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collapse, require that the impact of assistance be examined with immediate goals and risks in mind. Strategies will vary; so will performance expectations.

## Status of Democracy Worldwide

On a global basis, it is difficult to characterize the “state of democracy” at any given time. Yet, over time most countries of the world clearly are becoming more democratic. A decade ago, Freedom House, in its *Annual Survey of Political Rights and Civil Liberties*, characterized 42 percent of countries as formal democracies. This year, Freedom House classified 61 percent of countries as democracies. In its annual report, Freedom House ranks countries as “free,” “partly free,” or “not free.”

Latin America continues to experience advances in democracy. Haiti and the Dominican Republic represent two new, if still uncertain, democratic accomplishments. A coup attempt in Paraguay in April 1996 demonstrated that the armed forces there, as in many other countries in Latin America, remain a threat to the democratic process. Nevertheless, popular opposition to the generals’ seizure of power and the immediate intervention by neighboring countries in support of the elected government thwarted the coup. These events demonstrate the force of

popular democratic sentiment in Paraguay and in neighboring countries. They also send a clear signal to other countries in Latin America that a military coup in the region will not be condoned.

The influence of international crime threatens democracy worldwide. In Latin America this threat was illustrated in Bolivia, where Freedom House downgraded its country ranking from free to partly free. The downgrading was due in part to the influence of the drug trade, which caused the government to impose a six-month state of siege to quell protests against coca-eradication policies. The government action suspended labor rights and civil liberties.

The state of democracy in Eastern Europe and the former Soviet Union is less clear. On the one hand, the successful elections in Russia speak well for the evolution away from communism and a closed society as does continuing progress in the Baltics and central Europe. On the other, a seriously flawed election in Albania is a symbol of the deterioration of advances made in some countries in the region. The communist-leaning regressions in the Central Asian republics, as well as the continued popularity of communism in Russia, are cause to examine just how well democratic forces have consolidated their efforts.

In Africa the democratic environment remains mixed. The year was marked by several attempted military coups.

Moreover, Zambia, once thought to be a vanguard democratic reformer, has shown signs of backsliding. On the positive side, consolidation continues throughout much of southern Africa, highlighted by continued peace in Angola and Mozambique. Furthermore, the only four gains in the Freedom House ranking were experienced in this region. Eritrea, Ethiopia, and Tanzania, rated not free last year, were rated partly free this year. Mali, rated as partially free last year, was judged as free in this year’s Freedom House scale.

Elections in the West Bank and in Gaza signal significant democratic progress in the Near East, and recent political events in Jordan and Morocco indicate political openings that may lead to deeper democratization. Yet in other countries of the region, authoritarian regimes continue to hold power, and human rights are far from universally respected.

Democratic progress in Asia also is mixed. The Philippines has made significant progress toward democratization. Mongolia’s successful elections demonstrate advances toward a more pluralistic society. Recent elections in Bangladesh appear to have been accepted by the governing elites and have cooled political tensions. However, serious backsliding has occurred in Cambodia, where the Freedom House rating slipped from partly free to not free. Civil war continues in Sri Lanka. And serious

compromises in the protection of human rights continue throughout the region.

Overall, the progress of democratization in the world has been uneven. Some democratic regimes have been considerably strengthened, and some political openings have emerged where authoritarian regimes once reigned. But national and international threats to the survival of democracy in the world loom heavy on the horizon. International crime and terrorism continue to be major problems worldwide. Organized criminal syndicates centered in Sicily, Colombia, Russia, Nigeria, and large swaths of Asia continue to expand operations and undermine both stable and newly forming democratic governments. For example, illegal drug production and trade as well as corruption represent cross-regional threats to democracy. Tolerance for free speech and assembly continues to be compromised.

USAID is now emphasizing political risks and constraints to democratic progress as an integral part of all country analyses. Country strategies put democratic development as a high priority, and USAID programs in all sectors are designed specifically to enhance democratic political development (see box 2.1). Within the democracy and governance sector, the Agency

### **Box 2.1. In Benin, Donors and Host Coordinate Efforts**

In mid-1995 Vice President Al Gore launched the New Transatlantic Initiative to enhance cooperation among member countries of the Commission of the European Communities (CEC). Within that framework, the Africa Bureau is collaborating with the CEC in assessing progress toward democratic governance in the West African country of Benin. In addition to tracking progress, the assessment seeks to 1) diagnose problems, 2) identify corrective reforms, 3) generate a dialog among donors and representatives of Beninois civil society and government, and 4) improve donor and Beninois governance assessment tools, skills, and procedures.

The assessment, planned for fall 1996, is to be carried out by a team composed of CEC, USAID, and Beninois officials. The group will apply a common analytical framework and assessment methodology. It is to be followed by a series of workshops and seminars designed to get donors and Beninois talking about issues in democracy.

has made significant progress. This report highlights notable examples during 1995–96.

### **Progress in Measuring Results**

USAID Missions and bureaus have become far more concerned with measuring results, and they have made considerable progress in defining and testing democratic impact. Still, quantitative measures for the Agency's programs remain elusive. In particular, measuring and comparing results across programs is difficult because of the decentralized nature and

relative newness of the strategic-planning process. In the last year, the Global Bureau's Center for Democracy and Governance has assisted several Missions in developing performance-based measures of impact. This effort is a first step in establishing uniform means of measuring the progress of USAID democracy programs. Despite the absence, as yet, of quantitative measures, ample evidence exists of the contributions of USAID programs on democratic processes around the world.

The following sections highlight results achieved over the past year in each of the four objectives.

## Strengthened Rule Of Law and Respect For Human Rights

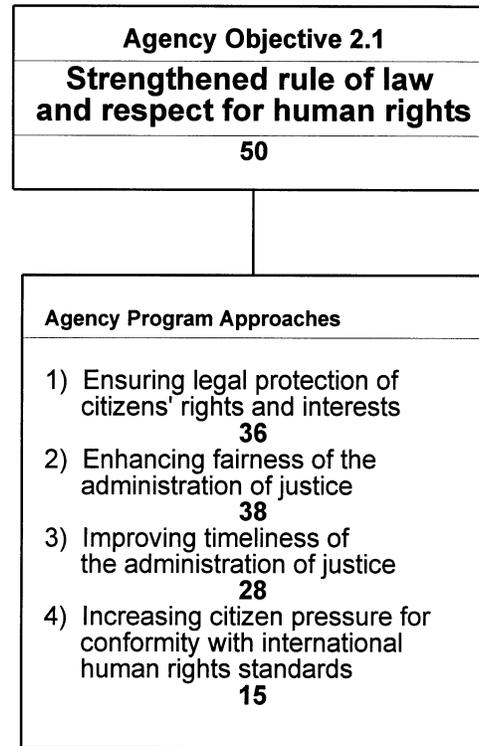
The first Agency objective in democracy and governance is to strengthen the rule of law and respect for human rights. A predictable legal environment, with an independent, fair, and effective judicial system, is essential for protecting citizens against arbitrary use of state authority and lawless acts of both organizations and individuals. It is also invaluable in providing a legitimate means of resolving conflicts, discouraging escalating social conflicts, and decreasing the likelihood that people will take the law into their own hands.

Strengthening the rule of law abroad also supports the security and economic interests of the United States. A sound rule of law is essential to fighting terrorism, counterfeiting, drug trafficking, money-laundering, and refugee flows. At the same time, laying the foundation for equal and predictable legal systems benefits U.S. citizens and corporations by promoting stability and transparency. Such conditions in turn create a better climate for growth in international trade and investment. Figure 2.3 sets forth the Agency's five approaches for strengthening the rule of law and respect for human rights.

### Ensuring Legal Protections

Ensuring legal protection of citizens' rights and interests is the cornerstone of the rule of

**Figure 2.3. Number of Country Programs Contributing to Agency Objective 2.1**



law. In newly emerging democracies, USAID's initial efforts often center on constitutional development.

USAID programs in **Ukraine** contributed significantly to the development of a new constitution. USAID helped organize town hall meetings and supported a constitutional forum convened by the World Congress of Ukrainian Lawyers. USAID grantees provided material to Ukrainian officials on comparative constitutional systems and supported public debate over adoption of the new constitution. One activity helped strengthen the Ukrainian Association of Cities, which

was instrumental in developing articles decentralizing state power, providing resources to local governments, and defining the relationship of those governments with the national government.

A USAID-sponsored roundtable discussion with leading Ukrainian independent trade unionists recommended adding a constitutional clause on trade union rights. The clause was incorporated. Numerous nongovernmental organizations (NGOs) that receive technical assistance and training from USAID participated in the constitutional

debate. Ukraine's growing independent media, which also benefit from USAID-funded assistance, provided extensive coverage, analysis, and opinions throughout the development and adoption of the constitution. On June 28, 1996, by the required—but unexpected—two-thirds majority, Ukraine's parliament ratified the country's first post-Soviet constitution. The event is marked as a national holiday.

Similarly, USAID helped **Ethiopia** draft a constitution. The aid came both through material assistance and by sponsoring experts, both domestic and foreign, to confer with those leading the drafting process. These interventions have improved the quality of the constitutional debate as well as the quality of the final document itself. The handling of specific issues such as women's rights particularly benefited from outside consultation. The constitution guarantees maternity leave and incorporates human rights protections consistent with the 1948 UN Universal Declaration of Human Rights.

USAID support for legislative drafting efforts extends beyond the constitution to the development or updating of laws appropriate for political and economic regimes that are changing. New or modified criminal procedure codes have been adopted in **Bolivia, Colombia, Guatemala, Panama, and Russia**. Draft

codes are under review in **Armenia, Ecuador, El Salvador, Georgia, Honduras, and Peru**. The **Czech Republic**, the Former Yugoslav Republic of **Macedonia, Lithuania, and Slovakia** are currently amending their civil codes. **El Salvador** and **Panama** have new family and juvenile justice codes, and the sections of family law pertaining to child abuse are being reviewed in **Albania**.

In **Eastern and central Europe**, where countries are striving to privatize state-owned enterprises and to promote economic growth, USAID rule-of-law assistance has increasingly included development of commercial laws. USAID has provided assistance on banking, bankruptcy, competition, labor, property, privatization, securities, foreign investment, intellectual property, secured transactions, and taxation laws. As a result, at least 10 Eastern and central European countries have enacted modernized banking laws, bankruptcy codes, companies laws, and foreign investment laws since 1991. In addition, at least eight countries have adopted labor, taxation, and intellectual property laws in the last five years.

This trend extends to other regions as well. In **Madagascar**, for example, USAID has stressed the importance of commercial-law reform to support private sector development since 1993. USAID/Madagascar has helped build a

coalition in support of legal reform. It consists of judges, lawyers, officials from the Ministry of Justice, and national and regional business associations. The coalition's active lobbying in 1995 persuaded the government of Madagascar to create a body called the Legal Reform Commission. The commission's membership includes legislators, legal experts, government officials, and representatives of the business community. Creation of the commission paves the way for USAID-funded activities to overhaul the legal system, both laws and the legal apparatus.

In addition to *creation of laws*, USAID's development assistance supports challenges to the *constitutionality* of laws. The **Nepal Mission** is assisting four leading women's NGOs in their challenge to an inheritance law that restricts women from inheriting property or passing it on to their daughters. The NGOs pushed to have the law struck down, contending that it discriminated against women and therefore violated the constitution's guarantee of equal rights. Finding in favor of the NGOs, Nepal's high court has given the government one year to amend the law. These same NGOs are cooperating to help members of parliament draft new legislation. This cooperation is a significant step forward for the highly politicized but still fragmented women's movement.

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## Strengthening the Administration of Justice

A primary emphasis of USAID's rule-of-law program has long been strengthening the administration of justice. The objectives for this program vary according to the most urgent needs and most appropriate windows of opportunity. Strategies for strengthening the administration of justice employ mainly two approaches: 1) *enhancing the fairness* and 2) *improving the timeliness* of the justice system. Sixty-five percent of the Missions working to improve the administration of justice integrate both approaches in their strategy. Consequently, the following discussion addresses these two approaches simultaneously.

Enhancing the fairness of the administration of justice often begins by addressing the capacity of personnel in the offices of both the judiciary and the attorney general. Training aims at increasing knowledge of the law, independence, and ethical standards. USAID has helped introduce and has established or strengthened judicial schools in **Bolivia, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, Panama, Peru, and Russia.**

The Agency is also trying to link training to improved personnel systems. In **Guatemala**, for example, training is now used to screen candidates. In 1995 USAID/**Kenya** trained 50 magistrates representing various geographical regions. The Mission also trained senior judicial staff to improve the

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## Box 2.2. Continuing Progress in Haiti

Last year the *Agency Performance Report* stated that officials from the U.S. Department of Justice, with USAID funding, developed a training program for 500 prosecutors and judges throughout Haiti and established a judicial training school in Port-au-Prince.

All 500 judicial officers have now received training. Six model prosecutors' offices have been established, providing on-site training and case-management techniques. This program and on-site field training were extended to include investigative judges as well as prosecutors. All members of the prosecution—from the police to the investigative judge—will receive training as a team to improve their ability to function effectively and cohesively from the moment a crime is reported through the criminal justice process.

In the face of significant challenges to improved administration of justice, a new Office of Judicial Supervision has been established within Haiti's Ministry of Justice. The office is being strengthened through the model prosecutors' office initiative, so that judicial supervisors will regularly monitor the performance of judges and prosecutors throughout the country.

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effectiveness of the **Kenyan** courts and the quality of justice. Magistrates received training in professional ethics, civil procedure, and their role as public servants. Here the need for greater uniformity in court operations was emphasized. Because of the training, a prominent opposition member of parliament was released and an act of parliament was amended to allow drug offenders to post bail.

**Guatemala** has made great strides in overcoming a history of cynicism regarding honesty and integrity of the justice system. Barely a year ago, Guatemala held its first oral trial. The increased transparency of oral trials, coupled with USAID-supported training for

judges and prosecutors, has taken Guatemala's justice system a step forward in the fight against impunity. "Guatemala," a local news analysis noted, "now has judges who are qualified, well trained, honest, and independent."

In **Honduras** public prosecutors have brought increasing numbers of cases to trial, filing more than 23,000 criminal complaints in 1995. In only the first six months of 1996, public criminal complaints reached 20,000, with the number of corruption cases doubling. The prosecutors' rate of conviction also increased over the past year, to 63 percent from 55 percent. The need continues throughout the country for equal application of laws and accep-

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tance of evidence. Still, the number of cases presented by public prosecutors has increased and the productivity of judges has improved.

Attention to the courts includes improved administrative techniques. For example, with USAID assistance, the administrative system of **Sri Lanka**'s court of appeals has been automated to monitor and analyze bottlenecks and delays in bringing cases to trial. In 1995 alone the court reduced its backlog by one fifth. Although some automation has occurred in Latin America, the most important changes often have introduced far more basic techniques: rationalizing use of personnel, improving filing systems, introducing evidence rooms, and decentralizing administrative services.

To guarantee a balanced criminal process and broaden access to the system, programs undertake to develop or strengthen public defender programs. Progress in this has often been striking. **Panama**'s program, characterized three years ago as barely functioning, has expanded from 8 public defenders to 29. The program has been transferred from USAID to Panamanian government financing.

**El Salvador**'s program also has been transferred to the government and is fully staffed, with 108 defenders. However, it remains in need of substantial reengineering to guarantee high-quality services.

The public defenders program in **Honduras** was begun in 1989 with USAID support to provide constitutionally mandated free legal services for the poor. The program has financed a sustained increase in the number of public defenders, from 31 in 1993 to 104 by the end of 1994. Beginning in 1995, the program became fully financed by national funds and is now considered an integral part of the regular court organization. These public defenders managed 59 percent of all the criminal cases in 1995. Of those cases, freedom was secured for a third of the prisoners. And of those, charges were dismissed in 28 percent of the cases.

The public defenders program in **Bolivia** has also made strides. In 1992 the USAID-backed pilot project supported Bolivia's first 15 full-time public defenders. The Ministry of Justice public defender staff has now grown to more than 110 people in 10 offices. The defenders' knowledge and skills have improved steadily through several rounds of training workshops and legal clinics. Apart from their growing effectiveness in individual cases, the mere routine presence of the trained defenders has altered and increasingly begun to correct the historic imbalance of power between accusers and accused.

There is still a long way to go, but the public defense, with USAID strategic support, is increasingly filling the previous vacuum of effective indigent defense in Bolivia's criminal

justice system. Awareness of and demand for the services of the public defenders has mushroomed. This cadre currently handles 37 percent of prisoners' cases. Since inception of the public defender program, of a total of 22,730 cases handled, the defenders have secured the release of 11,514 prisoners.

**Cambodia**'s judicial system has also accepted the role of public defenders. USAID assistance has provided training for 25 paralegal public defenders to give counsel to poor defendants in the capital and five provinces. The public defenders have achieved an acquittal rate of 34 percent. This program has emphasized gender concerns by training women so that women's cases receive equal attention under the law. Among the successful cases:

- A pregnant woman was imprisoned for five months after being falsely accused of stealing a motorbike. She was acquitted.
- A woman eight months pregnant was jailed—without sentencing—for three months for failing to pay an international phone bill. The public defender won her release.

In addition to supporting public defenders, USAID programs increase access to the courts by supporting legal aid programs. Law schools in **Latvia, Macedonia, Romania, and Slovakia** are developing clinical legal education programs. While providing citizens with pro bono legal services,

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these programs also provide students with more practical legal education.

A major challenge for USAID/**Haiti** has been to ensure that all Haitians have access to high-quality legal services, regardless of their ability to pay. Absence of adequate legal representation has serious ramifications, especially for those held in terribly overcrowded prisons awaiting trial. Over the last year, USAID has supported local NGOs, bar associations, and law schools in providing legal aid, with an emphasis on poor detainees. To date, 2,500 people have received legal assistance. This has resulted in 697 prisoners being released and 1,141 cases brought to closure.

Similarly, USAID/**Peru** has revitalized the legal clinic program of the Lima Bar Association by providing funding to strengthen 10 legal clinics for the poor. In the first two months of operations, these clinics have taken on thousands of cases. Partnerships have been formed with Peruvian government institutions, including two prisons and legal clinics operating in the Ministry of Labor. The Bar Association has also entered into agreements with a leading women's organization to more effectively represent clients. The program has sponsored fairs to promote legal defense and educate the poor about their legal rights. Most cases deal with urgent and basic necessities, such as such as employment and provision of food.

USAID/**Ukraine** has a strong Environmental Public Advocacy Center Program through which Ukrainian staff attorneys represent citizens' interests or help citizens file claims against industries that are violating environmental regulations. In one case, in which air pollution was caused by burning used film, the regional office of the Ministry of Ecosafety issued a cease-and-desist order and imposed fines as result of the advocacy center's work.

Developing more alternative forums to resolve legal disputes is a growing trend. Provision of new and nontraditional methods often improves the timeliness of case adjudication while increasing access to the judicial system.

In **Guinea-Bissau** USAID assistance to create and establish small-claims courts has achieved signal results. By October 1995 the first 22 courts had received 1,009 cases and resolved 69 percent of them. By comparison, during 1991-92, the whole court system received 1,580 cases, of which only 11 percent were resolved. The small-claims courts use a consensus approach to justice. It applies modern law practice but tries at the same time to conform to traditional law, which emphasizes negotiation and consensus-building. The success of this approach is clearly seen in the accelerated resolution of cases. Of the civil cases, 91 percent were resolved through consensus.

The alternative dispute program supported by the Mission in **Sri Lanka** trains community-based mediation boards. The boards have won public confidence, as evidenced by the growing number of people using them. This number grew from 184,000 in 1994 to 204,000 in 1995. Fifty-six percent of the 1995 cases have been resolved.

USAID/**Colombia**'s Justice House Program offers services to prevent or resolve conflicts at their source in the family, school, and neighborhood. Justice houses are established in low-income neighborhoods in major cities, where access to the legal system is minimal and formal judicial institutions have little credibility. Two pilot justice houses show that an average of 86 percent of cases going to conciliation during a five-month period in 1995 were resolved by agreement. In one of these justice houses, 50 percent of minor criminal cases were resolved through conciliation rather than judicial procedure. Conciliation is seen not just as a means to reduce caseloads but also as a means to change attitudes and encourage citizens to take an active role in conflict resolution. The aim is to lower the levels of violence in the family and the community.

### **Improving Respect For Human Rights**

The Agency also works to increase citizen pressure for conformity with international

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## Box 2.3. Improving Women's Lives Through the Power of Democracy

At the 1995 Fourth World Conference on Women in Beijing, UN Ambassador Madeleine Albright announced USAID's Initiative for Women's Political Participation and Legal Rights. The centerpiece of the initiative is the global Women in Politics Program. Through a dynamic combination of in-country and regional activities, this program gives women around the world a chance to develop and share strategies, making them more effective voters, advocates, candidates, and legislators.

Already, major results that affect women's lives are being achieved:

■ A coalition of women's organizations in **Nepal** used techniques shared at a USAID-sponsored meeting to support a constitutional challenge to Nepal's inheritance laws in the kingdom's high court. The inability to inherit property in Nepal is a root cause of women's perpetual, crushing poverty. The coalition supported the legal challenge with mass rallies and media advocacy. The court invalidated the law on the grounds that it

contravenes the guaranty of equality for women in the constitution and directed the government to table a new, nondiscriminatory law.

■ Two of the five new women members of parliament in **Mongolia**, members of the democratic coalition, link their decision to run for office to their experience at a 1995 USAID-funded workshop on raising women's political awareness. All seven women currently serving in parliament are members of a nonpartisan women's coalition formed at the workshop.

■ In **Bangladesh** more than three million eligible women voters were given basic voter education through a project using existing family-planning networks to reach grass-roots women. Seventy-seven percent of eligible women voted in Bangladesh's 1996 elections—a higher turnout than among men—even though many had to wait for hours standing in the hot sun. The USAID-funded voter education cost less than a penny per voter.

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human rights standards (see box 2.3). Adequate monitoring and reporting of abuses and problems are critical to raising public awareness, creating a climate of openness, and, over time, increasing the public's unwillingness to tolerate abuses. In 16 countries worldwide, USAID pursues strategies related to supporting human rights ombudsmen, establishing human rights tracking and reporting programs, supporting the investigative process, and strengthening the knowledge and effectiveness of the media and NGOs in covering human rights issues.

Last year this report described USAID/**Malawi**'s role in promoting the development and passage of a gender-sensitive constitution that provides equal rights and equitable representation of all citizens. Malawi's program has now shifted to improving human rights monitoring through support to human rights groups. USAID-supported NGOs are educating rural Malawians in their human and legal rights and how those rights can be enforced and protected under the new constitution. The program also supports cooperation with local

lawyers and the University of Malawi to more effectively realize the constitutional protections offered to citizens.

Human rights has long been a sensitive subject in **Peru** and in U.S.–Peruvian relations. Taking advantage of recent improvements in the human rights situation, USAID/Peru funded a pilot activity that not only has educated the population in human rights but also has begun to build relations between government institutions and local human rights groups. The program has trained about a hundred local community leaders (mostly women) on their

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rights and responsibilities. Building on relationships established under the Mission's Local Government project, the trainees have coordinated their activities with municipal authorities.

The activities for the first time have brought together the Peruvian congress and local human rights groups in a positive manner. As part of the training, members of congress and a recently named human rights ombudsman have visited communities outside the capital, Lima. As the word spreads, this activity will serve as a model to foster awareness of human rights and promote mutual respect among the government, human rights groups, and local communities.

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## More Genuine and Competitive Political Processes

When elections are manipulated, poorly managed, or held only after lengthy and unpredictable intervals, both participation and competition are compromised. USAID seeks to ensure free and fair elections around the world and works to enhance competition. Although fair and open elections on their own are not a sufficient condition for guaranteeing democracy, they are a requirement. This fact has long been recognized during transitions from authoritarianism to democracy and in postconflict situations. This past year has demonstrated

that it is valid for the early consolidation of democracy as well.

In seeking to achieve this objective the Agency relies on the five approaches set out in figure 2.4. In the past year, USAID has continued to direct its efforts toward longer term assistance aimed at institutionalizing appropriate political procedures. It has done so by strengthening local capacity, whether this be in election commissions, in political parties, or in NGO monitoring and voter education groups.

For electoral and political processes to become more open and competitive, all five approaches often need to be integrated through a partnership with local organizations and in cooperation with other donors. Instead of addressing each approach separately, the following discussion addresses the integrated approaches implemented by USAID Missions in some of the significant elections of the past year (also, see box 2.4)

### Supporting Free And Fair Elections

Three key elections took place in **Russia**. The first was in December 1995 for the legislature, called the Duma. That was followed by two rounds of elections for the presidency in June and July 1996, which returned Boris Yeltsin to power. U.S.-supported election work has continued uninterrupted since the 1995 elections. Substantial segments of a new electoral law were drawn

directly from advice provided by USAID-funded NGOs on the basis of weaknesses they detected in those previous elections.

The Agency provided training to party activists, civic organizations, and local monitors. It provided technical assistance to the central election commission to help with election management and training of regional- and district-level election commissioners. USAID also helped political parties bolster their campaign techniques.

Although problems remain, the U.S. agencies responsible for monitoring the elections, in coordination with European monitors, agreed that these elections represented major improvements over all previous elections. They noted in particular advances in the level of transparency, accountability, and procedural competence.

Given the importance and the postconflict nature of the first elections in the **West Bank–Gaza**, USAID assistance covered a wide spectrum of activities. Resource centers conducted programs of voter and civic education (which were effective in reducing the percentage of spoiled ballots). Voter simulation workshops in 450 locations apprised voters of their rights. Voter education campaigns, utilizing materials

produced by women, targeted youth, women, and former political prisoners.

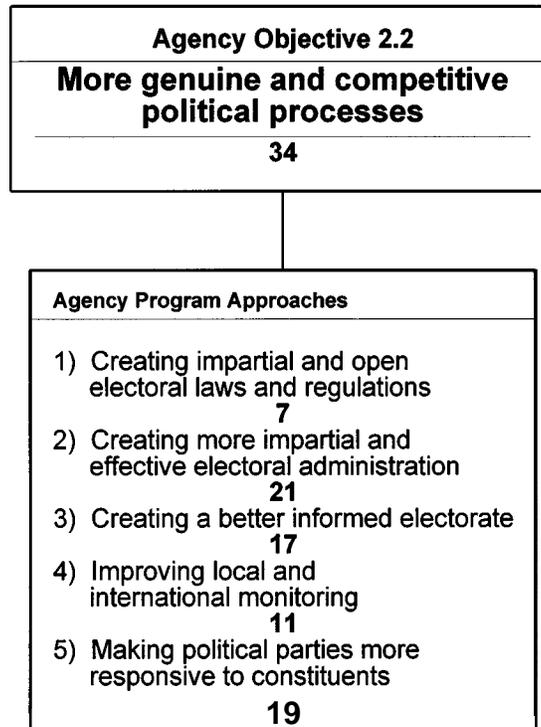
A domestic coalition of more than 40 local NGOs trained 1,500 domestic monitors, who covered 80 percent of the polling sites during the day and 60 percent at night. Overcoming complex logistical problems, U.S. NGOs printed special central election commission identification cards (required by the Israeli authorities), and they were responsible for advice on ballot design and security and the registration process. They also ran workshops on broadcast regulations and television production for the Palestinian Broadcasting Corporation.

This support helped ensure broad public participation in the first Palestinian election for the presidency and parliament. Eighty percent of eligible voters participated; 42 percent of these were women. The elections were judged fair and free by a high-level 30-member international delegation and by 70 percent of the Palestinians polled.

In the process USAID helped found the Civic Forum, which now has a network of 225 membership-based organizations. In the postelection period the forum has stimulated demand for, and cosponsored, the first town meetings between members of parliament and their constituents.

In **Haiti**, parliamentary elections were free of violence and intimidation, despite a

**Figure 2.4. Number of Missions Contributing to Agency Objective 2.2**



process afflicted by irregularities and administrative flaws. A peaceful and well-publicized public debate took place among the parties, and people voted freely and seemingly without fear. The parliamentary elections were followed by a successful presidential election. USAID provided assistance for civic education, training of poll workers, and ballot procurement, security, and monitoring. As a result, February 1996 marked the first time in its history that Haiti witnessed a peaceful transition of power from one democratically elected leader to another.

**Mongolia's** transition history differs from many other formerly Soviet-dominated countries in that the old ruling Communist party dominated the first two free elections in 1990 and 1992. In preparation for the June 1996 elections, USAID provided assistance for NGOs to design and implement a comprehensive nonpartisan civic education program. This was the first time that Mongolian NGOs became involved in nonpartisan voter education. Women's or women-led NGOs created a coalition that undertook much of the responsibility

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## Box 2.4. Learning from Experience in the Dominican Republic

Elections in the Dominican Republic have a history of controversy. Flawed 1990 elections led to formation of an election commission made up of party representatives and passage of a new electoral law. The 1994 elections were marked by serious irregularities, which were reported by international observers. Those elections produced the country's longest postelectoral crisis, an intense period of protest and negotiation. By contrast, the 1996 elections are considered one of the country's most honest—and the losing candidate did not challenge close second-round results.

What made the difference was that Dominican civil society fought for free, fair, and honest elections in 1996. And USAID played a major role in supporting the quest for honest elections.

In 1994, USAID provided technical assistance to the election commission but Dominican society stayed on the sidelines throughout the postelectoral crisis. The crisis was resolved by the Pact for Democracy, an accord among the political parties, which civil society groups endorsed. The Dominican Congress passed constitutional changes required to implement the pact.

For the 1996 election, USAID helped mobilize civil society. For the first time, a local group mobilized more than 5,000 Dominican observers who did a successful quick count for both the general election and the runoff. USAID also supported a broad array of civil society organizations through the Action Group for Democracy. The group provided civic education and brought together representatives from the 44 largest municipalities to develop a national agenda establishing priorities for political, economic, and social reform. Civil society played a key role in choosing credible new judges for the electoral commission, which had been discredited in 1994.

International observers of the 1996 elections noted that all players—central election officers, voting officials, political parties, civic organizations, and voters—displayed a remarkable sense of public service and guardianship. The vote marked a juncture in the development of Dominican democracy. “The election provided a moment of justified national pride,” reported the monitors. “[It] sets the stage for actions that can enhance even further the election process in the future.”

for these programs, adding considerably to the strengthening of Mongolian civil society.

The election, well run and open, paved the way for Mongolia's first peaceful transfer of power. Eighty-seven percent of the voters, many of them rural, elected the Democratic opposition party, barely four years old, and ousted the Communist party, which had held power since 1924. Under difficult economic conditions, the electoral process and result are seen as a ringing endorsement for democracy and a step forward in political pluralism.

Of 25 candidates for parliament who received training from a USAID-funded NGO, 16 men and 9 women were elected to office.

With USAID assistance, the election commission in **Bangladesh** experimented with pilot programs in automated voter registration lists, voter identification cards, and election administration by community members rather than government officials. Judged successful, these techniques were then replicated in other parts of the country. USAID also assisted

the election commission's training institute in raising citizen awareness of the role and responsibilities of electoral officials and in preparing instruction manuals for poll workers. Despite resistance from both the ruling and opposition parties, Bangladeshi NGOs established a group called the Fair Election Monitoring Alliance, composed of 184 NGOs.

The seriously flawed February 1996 election appeared at first to negate much of this effort. It reinforced the electorate's lack of confidence

in the government's ability to administer fair elections. But when the leading political figures agreed to a second election, the value of the preparation became apparent. The technical capacity of the election commission, the impartial standing and competence of the local monitors, and the role of international observers all played a role in a successful second election.

In **South Africa**, a USAID-assisted agency helped identify problems with the voter registration system, including why people were not registering for the 1995 local-government elections. In response the government extended the registration period and allowed simultaneous intensification of voter education. USAID's assistance also included large-scale voter education, which incorporated training cassettes in multiple languages. National election news flashes were faxed and electronically mailed to all those with a stake in the outcome. The elections were generally successful. They were more inclusive and less conflictual than anticipated, they were well managed, and they were well supported in all except two areas: KwaZulu-Natal and the Western Cape postponed elections until June 1996.

For the second round, attention zeroed in mainly on KwaZulu-Natal, given the fears of violence and voter intimidation. In addition to voter education, candidates and

parties learned about canvassing at the local level and conflict avoidance in no-go zones. Ultimately, even these elections were relatively free of violence and were judged satisfactory. The elections concluded the first stage in the establishment of the most comprehensive local government system in Africa and the second important electoral step in South Africa's transition to democracy.

In some countries USAID directs attention to the central election administration, with voter registration as a major concern. For the October 1996 election in **Nicaragua**, the Mission provided assistance to strengthen and accelerate the Central Election Commission's registration system and the registration validation process. Also, a special and effective effort was made in 26 municipalities in the ex-conflictive area to register voters through the traditional ad hoc system. The commission extended the registration period to ensure maximum participation. As a result, registration was higher than originally anticipated, with 350,000 citizens signing up.

In **Uganda**, USAID provided technical and material support for the Interim Election Commission. The commission produced a more credible computerized voter register and contributed to institutionalizing the electoral system. USAID also helped strengthen civil society's capacity to provide both effective demands to

sustain constitutional democracy and more credible domestic election monitoring.

The significance of the local-government elections in South Africa has already been mentioned. But there were a good number of other important examples of elections at this level. In **Bolivia**, USAID provided assistance to the National Election Commission during the December 1995 municipal elections, contributing to their success and transparency. An automated voter registration system financed by the Agency added considerably to effective management of the election. More than 100,000 citizens were trained to serve as election officials on election day.

Reaching rural indigenous women (the great majority of the nonregistered population) is a special emphasis of USAID's support for voter registration. In **Thailand** during 1995, more than a thousand women received political training and technical support. Among these women 109 were elected to local office in five northern provinces. That increased the percentage of women holding such offices from 1 to 14.

**Bulgaria's** municipal elections, in which USAID money was targeted on training in selected cities, were the first to be held separately from national elections and were therefore the first to be concerned primarily with local-government power. **Guatemala's** local elections led

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to a more diversified representation, as evidenced by the election of 119 indigenous mayors and 25 mayors elected by locally based civic committees. In **Peru** a small amount of USAID money assisted in the training of 8,000 observers who helped ensure that the municipal elections were fair and free. There is also ongoing work on local elections in **Albania, Armenia, Azerbaijan, Croatia, and Ukraine.**

### **Strengthening Political Parties**

In many countries, including Mozambique and Lithuania, USAID continued to strengthen the capacities of political parties. In **Mozambique's** 1994 postconflict election, the Agency took a lead role in a multidonor advisory commission working to develop voter education materials and to train party, official, and nongovernmental monitors. Since the election, U.S.–funded NGOs have been providing parliamentary and political party training to all 250 newly elected members of parliament. The purpose is to discuss the roles of winners and losers, with the objective of avoiding a winner-takes-all mentality. Thus far all parties have opted to stay in the system and use dialog and discussion rather than armed conflict to resolve differences.

In **Lithuania**, U.S.–funded training of all democratically based political parties included preparation and distribution of

200 Lithuanian-language training models to local political parties. Training has had an effect on the behavior of political parties, particularly at the local level. Many political activists stated that as a result of the training, they had engaged in telephone canvassing and door-to-door campaigning for the first time, reorganized their party structure, and developed more effective relationships with the media. More systematic efforts at selecting candidates and refining the message resulted in their parties' becoming more clearly oriented toward issues, rather than personalities. The courses also encouraged civil interaction by introducing the concept of peaceful disagreement.

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### **Increased Development Of Politically Active Civil Society**

USAID helps organizations in civil society that are engaged in or have the potential for championing reforms in democratic governance. Human rights organizations, labor unions, professional associations, think tanks, business associations, church groups, and women's rights groups—all are examples of civil society organizations.

Although a wave of democratization has swept through the developing world over the past decade, most new democracies

rest on a fragile institutional base. Political reforms are still needed to deepen and extend democratic practices while overcoming legacies of authoritarian rule and lack of accountability. A major demand for these reforms will have to originate from civil society. The Agency's seven approaches for increasing development of a politically active civil society are set out in figure 2.5.

### **Strengthening The Legal Framework**

A prerequisite for the emergence and growth of civil society is a body of fundamental laws and regulations that permit the right of voluntary association, promote volunteerism, and ensure freedom from state interference. USAID supports laws and regulations that encourage the organization and operation of nongovernmental organizations in 18 countries.

With USAID support, during 1995–96 the International Center for Not-for-Profit Law worked with the legal departments of the Ministry of Economics and the parliament to draft and pass three of **Lithuania's** four NGO laws. This legislative reform in effect introduces, regulates, and integrates the legal existence of a nonprofit NGO sector in Lithuania. A fourth law, defining which NGOs are allowed to conduct commercial activities, is expected to be passed by late 1996.

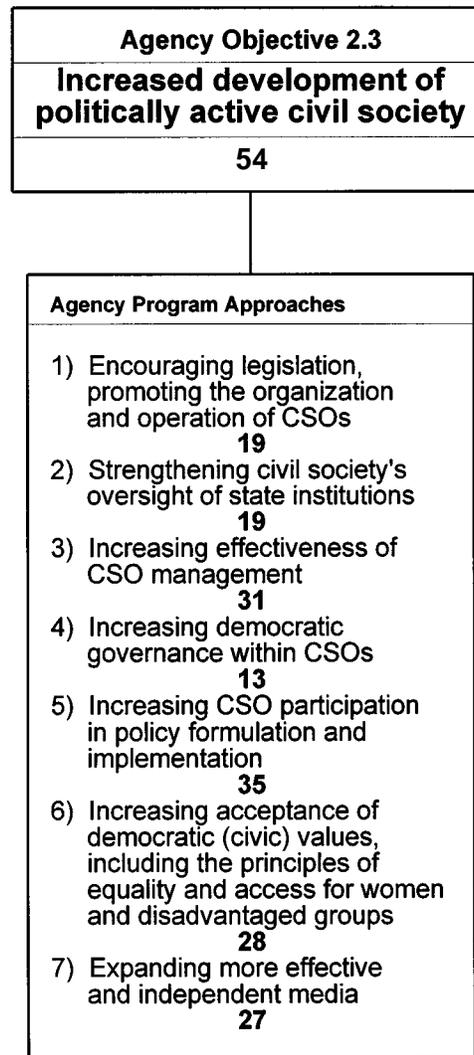
In 1991 only a handful of NGOs operated in **Russia**. To address this void, USAID assistance encouraged legislation that would support the formation of NGOs. Through its programs USAID contributed to the drafting, debate, and distribution of several NGO laws. As a result, in 1995 laws addressing charities, public associations, and noncommercial organizations were passed by the Duma. It is now estimated that Russia has more than 40,000 registered NGOs.

**Encouraging Effective Management and Democratic Governance Within Advocacy Organizations**

Some organizations may not practice the same values and principles of democracy in their internal decision-making that they promote in the larger society. Over the longer term, operating democratically will increase civil society organizations' responsiveness to citizen concerns and will help attract support. USAID has provided NGOs with assistance, both to review their management practices and to make them more democratic. Assistance to labor organizations provides particularly good examples of USAID's efforts on both these fronts.

Economic growth throughout Africa, Asia, and Latin America has been powered in part by the development of low-wage industries producing manufac-

**Figure 2.5. Number of Country Programs Contributing to Agency Objective 2.3**



tured goods. Women represent a significant portion of this work force, yet they lack adequate representation in their societies both generally and within the trade union movement. U.S.-based unions, therefore, in cooperation with indigenous trade unions, have designed and implemented programs aimed at

increasing the membership of women workers in manufacturing.

As a result of USAID assistance, labor unions in **Bangladesh, Indonesia, the Philippines, and Sri Lanka** have increased the number of women members by 25 percent. In the

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## Box 2.5. Concentration of Executive Power Triggers Shift to a Civil Society Strategy

Since early 1995, **Kazakstan** has witnessed a steadily increasing concentration of power in the executive. Manifestations include the dissolution of the parliament in early 1995, a referendum extending the president's term, a new constitution, changes in the judiciary, and the election of a new parliament consisting of two houses with limited powers.

This shift in power prompted a shift in USAID programming. The Agency moved away from reforming the government itself (including legislative and judicial branches) and toward investing resources in Kazakstan's nascent civil society. The Agency has set its goals on supporting the development of nongovernmental organizations and the emergence of an independent media.

Thanks to USAID-financed training, NGO activists have improved their management and advocacy skills. Many activists belong to NGOs that dared to speak out on the draft constitution in the summer of 1995. A conference in October to explore the need for NGO legal reform included Kazak government and nongovernmental leaders. By December 1995, USAID had funded 126 small grants to local organizations throughout

Kazakstan that are engaged in a wide range of activities to advance the democratic, market, and social transition.

USAID has also played a catalytic role in the emergence of independent television as an important forum for alternative views and media information. Most journalists working in independent television have participated in USAID-sponsored training, and all 38 independent TV stations in Kazakstan have now received training or equipment. Results include growing improvement in program quality and expanded, more professional local news coverage.

One USAID-sponsored media conference stimulated a 20 percent increase in membership in an indigenous central Asian media association that has been active in monitoring media legislation. Links between independent television stations and Cable News Network have been established, resulting in Kazakstani-produced news airing on CNN as part of its "World Report" program and allowing CNN news translated into Russian to be broadcast, both regularly and legally, by local stations.

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**Philippines**, the number of women in *leadership* positions has increased by 30 percent.

In **Argentina**, **Brazil**, and **Chile**, USAID funds have continued to stimulate participation by women in the labor movement through education and cooperation programs. These efforts have resulted in women gaining seats on the executive boards of all of Brazil's unions; the same holds true for the General Confedera-

tion of Argentine Workers. And in **Nicaragua**, the principal candidates to become presidents of the major trade union confederations are women.

The **Bangladesh** Independent Garment Workers Union (BIGU) deserves special mention as the first truly democratic and independent labor union in that country's garment industry. BIGU was established in 1994 to represent the country's more than one million mostly female garment

workers. BIGU has organized workers in more than 500 garment factories and has a paid membership of more than 5,000 workers, with additional pledges signed by more than 50,000 workers. BIGU's constitution sets aside 60 percent of officer positions for women. Currently more than 70 percent of the union's executive committee members are women.

## Strengthening Oversight Of State Institutions And Participation In Policy Formulation

In recent years USAID participation in the development of civil society groups has concentrated on the capacity of civil society to press for political reforms and to participate in policy formulation (see box 2.5). In addition to promoting civil society's role in the decision-making process, the Agency supports its continuing role in the oversight of the government's performance. USAID works with civil society organizations and the state on policy dialog. It provides direct assistance to civil society organizations to increase their capacity in analysis, formulation, and advocacy of policy.

In the **Philippines**, USAID seeks to broaden Agency participation in the creation and implementation of public policies through a strategy of encouraging the establishment of coalitions of civil society organizations. In the last year separate political coalitions have been formed among three disadvantaged groups: fisherfolk, urban poor, and indigenous peoples. These coalitions have had a significant effect on policy. The successes build on—and represent the fruits of—several years of small-scale but strategic USAID support to legal-resource NGOs helping disadvantaged communities.

The coalition for indigenous peoples, represented on the Senate Technical Working Group on Indigenous Peoples, has presented its position on alternative proposed versions of an ancestral domain bill directly to the secretary of the Department of Environment and Natural Resources. Through actions of the Coalition for the Urban Poor, the League of Cities has agreed to include the concerns of this constituency in the league's official policy agenda.

The Coalition for Fishermen presented its views during five national and five local public hearings conducted by the House Special Committee on the Fishing Industry. The coalition was recognized as the official representative of small fishermen; a representative was subsequently designated a member of the committee's technical working group. At the same time, the coalition has linked up with other like-minded federations to engage commercial fishermen in dialog on contentious issues.

The pace of democratization in **Indonesia** has not paralleled the country's rapid progress in economic growth. But domestic pressure for reform is mounting. Indonesian civil society has become more politically active and effective in expressing its diverse interests and in speaking out on issues of public concern.

During 1995, USAID-assisted civic advocacy organizations influenced the central

government's policies on a range of issues, from improved labor regulation to dispute resolution, conservation practices, and human rights.

A number of grantee NGOs have helped rural and indigenous people retain the right to their land. In some cases networks formed to coordinate the environmental, socioeconomic, and legal aspects of the campaigns. Other villagers have been represented in campaigns to prevent industrial pollution and ensure fair compensation for damages. Grantees have negotiated land deals with the government and the World Bank in behalf of farmers faced with the construction of dams on their lands.

Indonesian NGOs have provided oversight to government, monitoring and reporting instances of corruption and abuse of power. They documented instances of nonadherence to the compensation and environmental terms of mining and forestry concessions and exposed misappropriations of reforestation trust funds. They prevented the issuance of a presidential decree to curtail the rising independence of advocacy NGOs by mobilizing international pressure. And they are enforcing the UN convention to eliminate discrimination against women.

The president, various ministers, influential businesspeople, and regulatory bodies—all have come under the scrutiny of advocacy

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groups. Until recently such questioning and confrontation would not have been tolerated. The actions of NGOs are now closely watched by the general public and widely reported in the press. Through modest, responsible, and timely assistance, USAID has contributed to these developments.

Formulation of governance policies is, ironically, too often not a democratic process. In **Mozambique**, USAID decentralization efforts are helping to change this. Historically, policy formulation has been dominated by upper echelons of the executive and legislative branches located in the national capital. The dialog over decentralization was broadened through USAID support by including more stakeholders from various sectors outside the government, including NGOs, church groups, farmer and business associations, and traditional authority leaders.

Locally perceived decentralization themes were identified in a series of provincial field trips, and recommendations based on the themes were then developed in regional workshops. In true democratic spirit, the participants in each workshop then selected representatives to come to the capital to present their policy recommendations to national-level stakeholders.

The result was twofold. First, a more democratic policy formulation process emerged. Second, national-level stakeholders gained the knowledge that decentralization is equated

outside the capital with democracy at the local level and not just as an exercise in public administration improvement.

This chapter contains many examples of synergies between the development of politically active civil society organizations and the strengthening of the rule of law, political processes, and governance. By participating in policy formulation and implementation, civil society organizations can also further developments in the other sectors in which USAID works.

This was an important year for **Guinea-Bissau**'s economic development and its transition to democratic governance. In 1995 all three branches of government undertook efforts to broaden the participation of civil society in their activities.

USAID's assistance program took advantage of the new government openness to bolster participation of civil society organizations in policy formulation in key developmental areas. To date, 10 USAID-assisted associations have begun to actively represent their members' interests relative to government policy. As acknowledged representatives for their members, the associations are recognized by the government as partners in the reform dialog.

For example, USAID-financed and -facilitated workshops and conferences brought together representatives from the National Association of Small Merchants and Traders,

the Chamber of Commerce, the National Association of Women With Economic Activities, and the Ministries of Commerce, Finance, and Justice. They produced a number of policy recommendations that were presented to the minister of commerce.

One of the principal recommendations was to decentralize licensing and registration to regional offices of the Ministry of Commerce. The executive decree that resulted from the recommendation allowed legalization of imports and exports outside the capital city. In an apparent reaction, as of June 1995, registered commercial firms increased by 65 percent over 1994.

In **Latin America**, USAID works to conserve biological diversity by ensuring adequate on-site protection for critically threatened national parks and reserves. One objective of a program called Parks in Peril is to strengthen the capacity of NGOs for sustainable management of these endangered sites. In the five years of the operation, 19 NGOs across the region have been strengthened. They now meet Parks in Peril's criteria for institutional project administration and management.

Many of these NGOs have become important national or international leaders. Fourteen of them, in conjunction with allied NGOs not supported by USAID funds, were involved in more than 90 policy interven-

tions over the last year. Their efforts in lobbying the Global Environmental Facility, working on new tourism management and marine zoning plans, and improving policies in forestry and land tenure met with significant success.

### **Developing Civic And Democratic Values**

A major function of civil society is to spread democratic values and good governance practices so widely that they become the norm and govern relationships between individuals and state and nonstate actors. In addition to the fundamental liberties, democratic values include such norms as tolerance and respect for diversity, inclusiveness, accountability, responsiveness, transparency, and broad-based participation.

USAID interventions give weight to expanding both *knowledge about* and *belief in* democratic principles through civic education programs of various kinds.

Civic education is critical to advancing democratic transitions in former communist countries. Acceptance of democratic values has been increased in **Slovakia** through the Orava project, a comprehensive USAID-funded educational reform program that seeks to build principles of democracy into the Slovak educational system.

The program is introducing an “ethic of democracy” into the classroom through new teaching methods that promote critical thinking, creative problem-solving, and respect for differing points of view. Changes in the classrooms of participating teachers include increased openness to discussion and questions, active student participation, and tolerance and respect for diversity. The program has increased communication between teachers and parents and between practicing teachers and the pedagogical faculty at Comenius University, who are training future teachers.

The grass-roots approach to design and implementation adopted by the Orava project has had two consequences. First, the project has been able to ride out the changes in administration that would have hampered a centrally run program. Second, it has received overwhelming support from teachers and administrators. In its second of three years, the program is beginning to be institutionalized, and USAID plans to expand it to include additional school districts and universities.

Strengthening democratic values is also vital to the processes of democratization and reconciliation in countries that have experienced high levels of internal conflict. USAID was the first donor in **Guatemala** to respond to the opening up of civil society in the wake of a 1993 attempted

coup. The Agency provided direct support to NGOs working in legal reform, citizen advocacy, and civic education. Nascent civil society organizations have been able to push for reforms with decreasing levels of intimidation and fear of reprisal.

This support also addresses one of Guatemala’s greatest challenges in consolidating democracy—that is, to include the traditionally disenfranchised (such as rural indigenous people) in meaningful participation and genuine representation. Other donors have followed this lead. They are providing support to advance citizen involvement in matters of national interest and giving voice to those whose interests have traditionally been ignored or suppressed.

USAID’s national survey data evidences the increasing tolerance for differing political views and the broad participation of minorities. USAID/Guatemala uses the Democratic Indicators Monitoring Survey (DIMS), designed and developed with USAID support, to capture changes in those values and attitudes. Information collected every two years provides a unique look at the degree to which the system is performing in the eyes of its clients and the degree to which a democratic culture is taking root, as measured by growing tolerance for democratic liberties.

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DIMS also provides information directly on the effect of USAID-funded civic education activities. The DIMS survey revealed significant increases both in system support and for democratic liberties from emerging leaders who participated in USAID-financed training programs. Not only did these target groups score much higher than the national sample in the 1993 survey, but also their rates of improvement as measured by the 1995 survey are much higher than the national average. That suggests a lasting difference established by the leadership development initiatives financed by USAID.

### **Supporting an Independent Media**

Independent, competent, and diverse media are key to providing citizens with information. USAID works with media organizations to strengthen their ability, through training and technical assistance, to improve the quality of their work. The Agency also assists media entities in improving such things as their financial management, strategic planning, organizational development, and use of printing and other technologies.

USAID's media program in **Ukraine** enables citizens to become better informed about current events, including issues related to economic reform. A daily television news program, a free-market economics program, and other informational programs are produced

independently and broadcast nationwide. An independent local TV station was licensed, is now raising private funds, and will serve as flagship of an independent TV network.

Independent local TV and radio stations are being supplied with high-quality programs and staff training, and a USAID-funded press center provides journalists with access to a wide range of resources. A network of 26 press clubs has been developed throughout Ukraine. In them journalists can meet on a regular basis with government officials to discuss issues of economic reform. Weekly meetings at the Kiev Press Club are televised nationally during the main news program.

In Asia, **Cambodia** has not enjoyed a tradition of free and independent media, nor has it had the opportunity to develop a cadre of professional journalists able to provide accurate and fair reporting. With the Paris accords of 1991, however, freedom of the press expanded. Some 40 newspapers are now being published. USAID is working to increase the professionalism of Cambodia's emerging media through support to the country's two main journalist associations and introduction of a journalism class at the University of Phnom Penh.

Programs to train and mentor journalists have led to marked improvement in their professional skills. Reporters and editors are beginning to distin-

guish more clearly between fact and rumor and increasingly recognize the need for objective reporting rather than allegiance to political parties. The result has been an increase in the availability of good-quality newspapers.

In **Latin America** the Journalism Program has trained more than 5,400 journalists, media owners, and journalism educators since the project began in 1988. This number will exceed 6,000 before the project ends in 1997. Individual journalists credit the project with preparing them for major career-enhancing promotions. Presidents and other public officials credit the program with bringing new levels of ethics and responsibility to the news media in Central America.

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### **More Transparent And Accountable Government Institutions**

To build and sustain democracy, a state sector must perform effectively and efficiently, respect ethical standards, consult broadly to ascertain and respond to citizen interests, act in a transparent and open manner, and achieve appropriate balance of power, authority, responsibility, and autonomy among various levels of action—state, local, and individual. The Agency's five approaches for developing more transparent and accountable government institutions are set

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## Box 2.6. The Pivotal Role of Civil Society In South Africa

USAID has played a pivotal role in easing the transition to majority democratic rule in South Africa. The Agency helped develop leadership capacity and constituencies for political reform. This supported a peaceful transition while developing a cadre of capable NGO leaders that the new majority government drew on to develop democratic institutions and effective governance.

With the consolidation phase under way, the Agency made a strategic shift to include, for the first time, bilateral support to the new majority government. The thrust of the new strategy is to help build a partnership among government, civil society, and the private sector to achieve sustainable democracy and development. To implement this strategy, USAID expanded funding to include new programs with the government, in tandem with its continuing support activities for NGOs and the private sector. Yet the primary means for achieving its expanded objectives has remained the same—through civil society.

USAID's activities in administration of justice have been carried out exclusively through NGOs (at the request of the minister of justice). The NGOs are making major contributions in expanding access to judicial services and knowledge and awareness of human rights. The Black Lawyers Association, for example, specializes in trying landmark cases with implications for the whole system. The association successfully challenged the compulsory retirement at age 60 of Transkei civil servants. It argued for a negative certification of the Kwazulu–Natal provincial constitution on the grounds that the constitution was inconsistent with the country's interim constitution. The association is also bringing South Africa's first affirmative-action case.

USAID-funded NGOs play pivotal roles in promoting democratic pluralism through advocacy and information-sharing. One grantee provides public reports on national budget issues, public policy developments, and transparency and accountability in parliament. USAID-supported NGOs also work with the national government on policy issues. The organizations play a major role in, for example, assisting the Ministry of Land Affairs in developing land reform policies and programs.

Finally, USAID-supported NGOs are forming partnerships for development with local and provincial governments. In Western Cape Province, USAID grantees successfully brought together major governmental, NGO, and private sector players to coordinate transport policy in that province.

forth in figure 2.6. Increasing local government participation in decision-making and strengthening the effectiveness and independence of legislatures are strategies implemented by most Missions working in governance. Consequently, the following discussion looks primarily at these two approaches.

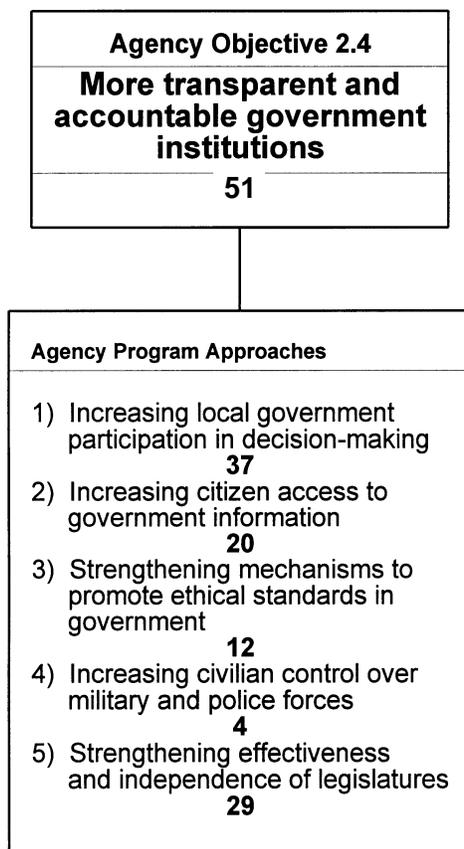
### Increasing Local Government Participation in Decision-Making

The issue of decentralization in governance is arguably as old as governance itself. How much power and control should be kept at the center, and how much should be allocated to units of government at regional or local levels? Not surprisingly, both donors and recipients of international assistance have often engaged in decentralization initiatives during the five decades of postwar foreign aid.

In Karakol, a regional capital of **Kyrgyzstan**, the USAID-assisted municipal finance and management program laid the groundwork for the country's first municipal treasury. This development has significance both in providing greater local financial autonomy and accountability and as a big step toward decentralization in the country overall.

The program in Kyrgyzstan is an example of traditional USAID decentralization strategy. That strategy stresses increasing autonomy for local government, improving ser-

**Figure 2.6. Number of Country Programs Contributing to Agency Objective 2.4**



vices, and promoting more equitable distribution of resources. The Agency's present approach to democratic local governance includes these goals, while placing greater emphasis on increased citizen participation and empowerment for minorities and vulnerable groups. The approach also emphasizes greater local government responsiveness and accountability to citizen needs,

improved local revenue mobilization, reduced corruption, and reduced ethnic tension.

Support for town meetings is one strategy to promote citizen participation. In **El Salvador** a total of 365 open municipal town meetings were held in the 115 National Reconstruction Plan municipalities. Additionally, 89 percent of the 871 communities in the plan participated in 1995, up 15 percent from 1994.

In addition, a series of pilot activities to decentralize decision-making was completed in 1995. Among the early results:

- Seven municipalities where the Agency is providing direct technical assistance increased locally generated revenues by 30 percent by setting and adjusting service fee rates. These positive results will be replicated in the remaining eight of the project's municipalities and eventually in municipalities throughout El Salvador. In generating revenue locally, municipalities took advantage of authority transferred to them in a 1991 law of municipal taxing.

- The government announced a substantial budget transfer (the equivalent of \$48 million) from the national budget to municipalities. This will replace funding previously provided by USAID.

- Pilot projects are under way in several communities to test different operating mechanisms for public-private cooperation in order to respond to the needs and resources of the community. As a complement to this effort, USAID, at the request of the National Administration of Water Systems, has funded the drafting of a law on water resources. The law will allow local governments, private organizations, and communities to manage their own water systems.

Regionally, the Agency is putting into effect the Women and Local Government Program

in eight South American countries. The program seeks to generate and test tools and methods that promote women's participation in municipal government. Eight pilot projects are now under way to test a variety of strategies. The program has leveraged more than \$500,000 from municipalities and NGOs to support gender equity activities. It has strengthened collaborating civil society groups and has promoted greater involvement by women.

In **Poland**, a particularly successful USAID-supported interaction is something called DIALOG. DIALOG's goal is to demonstrate that concerted action by private citizens and groups can help solve local problems and influence government action. The DIALOG process involves participants from local government, media, business, education, NGOs, and churches who are trained in consensus-building, problem-solving, dispute resolution, and other leadership skills.

Issues pertinent to a city are identified by initial opinion surveys. Issue campaigns are then undertaken at the community level, through the use of radio, television, and the press to inform, educate, and mobilize citizens for community action. Citizens in three cities chose public safety as their number one priority. Innovative programs, some inspired by the U.S. neighborhood watch model, have been launched.

They have visibly reduced crime, particularly by juvenile offenders.

The Agency is helping **Ukraine** clarify the role of local and regional government. Local governments are responsible for many municipal services, but few local officials have knowledge about and experience in public administration. Despite this obstacle, local governments in Ukraine are becoming the venue for the development of democratic leaders and governance. Municipal leaders are pioneers in introducing open budgeting, town meetings, citizen task forces, and other constituency-outreach methods. Municipalities have joined forces, as well, to establish the Ukraine Association of Cities, a body that lobbies the central government for greater decentralization.

Through a pilot program, USAID's municipal development program has improved the effectiveness and transparency of the governments in three cities—Kharkiv, Lviv, and Ternopil. In Kharkiv the municipal budget for 1995 was printed in the local newspaper. With USAID assistance, the city in December 1995 began issuing municipal bonds. Reports indicate that more than half of the bonds have been sold, raising more than \$400,000 for the city to use to buy minibuses and improve its heating system. In Lviv a new communications system has been installed to permit tracking of citizen requests and complaints and to make more

information about city operations publicly available. In Ternopil, the municipal government restructured its aging and insufficient fleet of buses and improved public transportation management. The initiative increased capacity by 40 percent and enhanced revenues.

### **Promoting Anticorruption Initiatives**

Strengthening mechanisms that encourage ethical behavior and prevent corruption and abuse is a useful approach for improving democratic governance. USAID uses three primary strategies: strengthening the internal procedures for enhanced oversight, improving the financial management systems in government institutions, and building a public constituency against corruption.

In addition to 11 Missions, the Latin America and Caribbean Bureau implements this approach regionally. The bureau has been working closely with multilateral and bilateral donors first to promote, then implement, integrated financial management systems throughout the region. Such systems help democracies attain accountable governments, which leads to more efficient use of public resources.

Financial management projects (supported primarily by the Inter-American Development Bank and the World Bank and coordinated through the USAID-funded Donor Consul-

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tative Group) are under way in all but three countries in the region.

The bureau also supports a regionwide anticorruption initiative that recently sponsored an interactive video conference on corrupt practices and strategies to prevent them. It reached an estimated 100,000 viewers.

### **Strengthening The Effectiveness And Independence Of Legislatures**

Strong legislatures give citizens greater access to the policy process and more control over the behavior of the executive branch. In many countries, though, legislatures are relatively new and technically weak. They issue little, if any, legislation on their own. Although there are quite a few countries where the Agency has some element of its democracy strategy directed at legislatures, the number with fairly comprehensive legislative development programs is small. With a few exceptions (mostly in Latin America) the Agency's experience with direct assistance to legislatures is fairly recent.

Most programs concentrate primarily on the legislature itself. Activities include

- Building up the legislature's capacity in ways that allow it to deal on a more equal footing with executive agencies and exert oversight responsibilities

- Augmenting its professional support capabilities in budgeting and policy analysis

- Making the legislature work more effectively by shoring up its basic infrastructure for such activities as voting and monitoring progress of bills

- Strengthening its links with citizens or reaching out for public input

- Making the legislature itself more transparent and accountable

- In newer democracies, stressing the basic roles of the legislature

Some programs have directed part of their attention to organizations outside the legislature—organizations that monitor legislation, publicly report on the legislature and individual legislators, or even help formulate legislative agendas in different sectors.

USAID's legislative strengthening project has helped **El Salvador** reweave its political fabric and further national reconciliation during a period of profound political change. By supporting improvements in technical support, infrastructure, and constituency services, the Agency aided the legislative assembly's evolution from a rubber stamp for executive actions to an independent lawmaking body.

The project met its intended goals. The assembly's deliberations and its relations with other branches of government have

become more informed and analytical. The assembly's increasing independence is evidenced by the fact that, for the first time, deputies have begun critically examining the executive's annual budget submission. The executive has responded by providing greater detail in budget documents, thus facilitating enhanced assembly oversight of this major area. Project-supported activities have also helped the assembly pass legislation on education, family life, and judicial reform. Twenty-five percent of citizens now perceive the legislative assembly's work as good, an increase of 18 percent since 1992.

In the **Philippines**, USAID's primary approach to legislative development has been to strengthen groups that bring information and a broader range of participants into the public debate.

The USAID-assisted Center for Legislative Development exemplifies how a small, dynamic, flexible organization can be an effective partner in the legislative process. Its training courses have improved the knowledge and effectiveness of legislative and executive branch staff. Its publications and seminars inform activists, scholars, and the public about the operation of the legislative system. The center's most promising activities are those initiated since 1993 to bring NGOs into the legislative process, teaching them advocacy skills and helping them

interact directly with Congress. To enhance its long-term financial sustainability the center has begun to market advocacy training to business groups.

In **Namibia**, USAID has a two-barreled approach to increasing the accountability of parliament to its citizens. First is to develop the institutional capacity (particularly in constituency outreach) of the upper and lower houses. Second is to enhance the capacity of NGOs and the media to represent public interests in the formulation of policy and promotion of legislation to implement that policy. The program has been in place for only a year or so, but significant accomplishments already made suggest that the Mission could have a major impact on the independence and accountability of parliament. The national assembly (upper house) established a standing committee system in November 1995. In July 1996 the first ever public hearing by a standing committee heard expert testimony and public input on proposed legislation. The hearings generated public debate on the implications of the legislation for farmers, traders, and consumers.

USAID assistance in **Mozambique** is also strengthening the constituency outreach of the legislative branch. A series of citizens forums are for the first time bringing together members of parliament (MPs) and their constituents in a structured discussion of national

and local issues. During each afternoon-long session, conducted in the provincial capital, community leaders pose questions about the workings of the legislature and plans to address pressing local concerns to a panel of MPs who represent their province in the assembly of the republic. Citizens from all sectors of Mozambican society then participate in an open question-and-answer session. Although each forum is limited to 120 participants, all have received extensive coverage in the press, including live radio broadcast; many citizens followed the forums by gathering around radios in public places.

Results of the initial events have exceeded expectations. Some MPs, initially expecting an opportunity to give a set speech, were caught off-guard by the open-question format. Word quickly got around, and MPs participating in subsequent forums actually prepared themselves for tough questioning. Another development was that MPs began to participate as legislative representatives and not as partisan politicians. Perhaps the best indicator of success is that the forums have generated considerable interest both by MPs and by community leaders. The members of parliament have requested that the forum be replicated in each province. Community leaders have requested a how-to manual so that the forum can become a regular event.

## Conclusion

There have been demonstrable achievements under each of the four democracy-and-governance objectives, notwithstanding the lack of uniform measures for global aggregation. According to a Freedom House report, "Without question, in 1995 U.S. foreign policy helped contribute to a number of openings for the expansion and strengthening of freedom and democracy."

In the rule of law, USAID assistance in transition countries has helped establish the legal foundation for constitutional as well as economic rights. Assistance to sustainable development countries has significantly strengthened court systems. It has made them more independent, transparent, efficient, and fair. Latin America, in particular, now has more competent and better qualified judges, prosecutors, and public defenders. As a result, the court systems are functioning more efficiently while providing greater access for citizens. As host country governments experience these improvements, they are increasingly accepting responsibility for sustaining them.

Support in competitive political processes is perhaps the most political in nature of all democracy programming, hence the most controversial. International elections monitoring has now been nearly fully adopted. At the same time,

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donors are increasingly accepting the principle of local conduct and monitoring of elections. Less emphasis is now given to the election *event* and much more is given to promoting an *environment* conducive to genuine elections over the long term.

USAID has contributed to fairer and freer elections around the world, supporting a growing number of qualified, independent election commissioners and domestic election monitoring groups. Support for political parties is more controversial and still under discussion.

Strengthening the role of civil society is a major USAID objective. Agency assistance has strengthened civic organizations in their operation and management. These organizations advocate reforms, promote

consensus-building, integrate new groups into the political system, and promote collaboration between the society and the state in specific policy areas. Not only do NGOs participate in policy-making, but they also act as a check on governments. Long-term NGO sustainability, though, is a challenge.

Finally, in governance, USAID has centered its efforts on accountability and changing the role of the state. The Agency has provided support to parliaments to draft decentralization legislation. It has worked with local governments to develop more participatory and open administration. And it has trained local government staff in management and budgeting.

Decentralization efforts have been redirected toward the democratic participation of

citizens in the planning, decision-making, and implementation of activities across all sectors. USAID has helped draft legislation that empowers local governments and undertaken preliminary training of local officials.

With respect to promoting greater transparency and accountability, USAID programs have helped give greater public attention to issues of corruption and accountability of public officials. The recent conference on corruption broadcast via satellite throughout Latin America and the Caribbean is one illustration. In legislative strengthening, Agency programs have helped enhance the capacity of legislatures to oversee executive functions in several host countries.

